

TO ALL BUYERS OF THE TERMINATION OF SAID REDUCED BROKERAGE FEE.
E. UPON TERMINATION OF THIS AGREEMENT, FOR WHATEVER REASON, THE COOP SHALL RETAIN THE SOLE OWNERSHIP OF THE ESCROW FUND FOR USE BY COOP.

10. PIGS RIGHTS FEE: TO SECURE THE BUYER'S PERFORMANCE OF THIS AGREEMENT, UPON EXECUTION OF THIS AGREEMENT BY BUYER, BUYER SHALL PAY TO COOP A SECURITY DEPOSIT EQUAL TO \$6.00 TIMES THE NUMBER OF HEAD CAPACITY OF BUYER'S FACILITIES, WHICH THE PARTIES AGREE IS _____ HEAD. IN THE EVENT THAT BUYER FULLY PERFORMS ALL OF THE TERMS, PROVISIONS, COVENANTS AND WARRANTIES ON BUYER'S PART TO BE PERFORMED UNDER THIS AGREEMENT, THE PIG RIGHTS FEE SHALL BE REFUNDED TO BUYER UPON THE EXPIRATION OF THE TERM OF THIS AGREEMENT, WITH INTEREST PAID AT AN ANNUAL PERCENTAGE RATE EQUAL TO A 12 MONTH CERTIFICATE OF DEPOSIT RATE AS DETERMINED BY THE COOP, AND ADJUSTED YEARLY IN THE MONTH OF FEBRUARY. IN THE EVENT THAT BUYER FAILS OR REFUSES TO PERFORM BUYER'S PART OF THE TERMS AND PROVISIONS, COVENANTS AND WARRANTIES OF THIS AGREEMENT, COOP SHALL SET-OFF AGAINST SAID SECURITY DEPOSIT, TO THE EXTENT OF THE DEPOSIT, ALL EXPENSES AND DAMAGES INCURRED BY COOP WHICH DAMAGES AND EXPENSES WERE REASONABLY NECESSARY FOR COOP TO INCUR IN PERFORMING THE BUYER'S DUTIES AND OBLIGATIONS UNDER THIS AGREEMENT WHICH BUYER FAILED OR REFUSED TO PERFORM. SUCH EXPENSES AND DAMAGES MAY INCLUDE, BUT ARE NOT LIMITED TO, THE PURCHASE BY COOP OF THE QUALIFYING WEANER PIGS AGREED TO BE PURCHASED BY BUYER FROM SELLER UNDER THIS CONTRACT, TRANSPORTATION EXPENSES, DAMAGES OR LOSSES RESULTING FROM THE ASSUMPTION OF THE RISK OF ACCEPTING DELIVERY OF QUALIFYING WEANER PIGS FROM SELLER, AND PAYMENT OF BROKERAGE FEES. COOP SHALL, PRIOR TO SET-OFF AGAINST SAID SECURITY DEPOSIT, GIVE WRITTEN NOTICE TO BUYER AT BUYER'S LAST KNOWN ADDRESS TO COOP, OF THE DEFAULT BY BUYER IN BUYER'S PERFORMANCE OF BUYER'S DUTIES AND OBLIGATIONS, COVENANTS AND WARRANTIES UNDER THIS AGREEMENT, AND OF COOP'S INTENTION TO SET-OFF AGAINST SAID SECURITY DEPOSIT SUCH EXPENSES AND DAMAGES. THE NOTICE SHALL BE EFFECTIVE UPON COOP'S MAILING OF THE SAME TO BUYER CERTIFIED U.S. MAIL, POSTAGE PREPAID. COOP SHALL GIVE TO BUYER IN SAID NOTICE, TEN DAYS FROM THE DATE OF MAILING SAID NOTICE TO CURE THE DEFAULT IDENTIFIED IN SAID NOTICE BY PERFORMING THE DUTY OR OBLIGATION OF BUYER WHICH IS IN DEFAULT. COOP'S RIGHT TO SET-OFF AGAINST THE SECURITY DEPOSIT OF THE BUYER SHALL BE IN ADDITION TO THE OTHER RIGHTS OR REMEDIES WHICH COOP OR SELLER OR BOTH MAY HAVE AGAINST THE BUYER IN THE EVENT OF BUYER'S DEFAULT UNDER THIS AGREEMENT.

11. DELIVERY SECURITY FEE: TO SECURE THE SELLER'S PERFORMANCE OF THIS AGREEMENT, UPON EXECUTION OF THIS AGREEMENT BY SELLER, SELLER SHALL PAY TO COOP A SECURITY DEPOSIT EQUAL TO \$6.00 TIMES THE NUMBER OF HEAD OF EXPECTED PRODUCTION OF QUALIFIED WEANER PIGS FROM SELLER'S FACILITIES FOR A PERIOD OF FOUR WEEKS, WHICH THE PARTIES HERETO AGREE SHALL BE _____ HEAD. IN THE EVENT THAT SELLER FULLY PERFORMS ALL OF THE TERMS, PROVISIONS, COVENANTS AND WARRANTIES ON SELLER'S PART TO BE PERFORMED UNDER THIS AGREEMENT, THE DELIVERY SECURITY FEE SHALL BE REFUNDED TO SELLER UPON THE